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# FOREIGN CROPS and MARKETS

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## LATE FOREIGN DEVELOPMENTS

SWITZERLAND: Bread rationing was introduced on October 16. The rations vary according to age group and according to type of work engaged in by the consumer. Children under 6 years of age will be entitled to 112.5 grams of bread daily, and those up to 12 years, 225 grams. The ration for a "normal consumer" is 225 grams, but heavy workers will receive 325 grams, and extra heavy workers, 425 grams. Bread rationing was introduced mainly to prevent a sharp increase in consumption this winter when fruits and vegetables become scarce.

SPAIN: Private sources place the 1942 cotton crop at 16,200 bales (of 478 pounds), instead of 18,300, as forecast earlier. The 1941 crop was estimated officially at 12,000 bales.

SWITZERLAND: Milk consumption was placed on a rationed basis November 1. The new milk ration (including fresh, skimmed, condensed, and powdered milk), allows 4 deciliters daily to all consumers from 7 to 64 years of age, and 5 deciliters daily for those over 65 years. Children under 7 years of age are entitled to 7 deciliters daily. (One deciliter is slightly more than one-tenth of a quart.) The necessity for rationing milk was attributed to a decline of more than 10 percent in milk production, as a result of a decrease in livestock numbers since the war.

ARGENTINA: Wool production in the new 1942-43 season (October - September 30), is provisionally estimated at 518 million pounds, an increase of 5 percent, compared with the revised estimate of 494 million pounds for the preceding season. Production for the five seasons, 1936-37 to 1940-41, averaged 411 million pounds.

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G R A I N S

URUGUAY HAS SMALL WHEAT  
SURPLUS BUT CORN DEFICIT . . .

The area seeded to wheat in Uruguay for the harvest beginning in December is estimated at 1,000,000 acres, compared with 1,123,000 acres for the preceding year. Although the first estimate indicates a reduction of about 11 percent in the wheat acreage, all other winter cereals are increased substantially. Oats, estimated at 184,000 acres, shows a 20 percent increase and barley for brewing and grain is increased by 28 percent. The newly seeded areas are said to be in generally good condition despite some frost and other damage.

URUGUAY: Wheat supply and apparent consumption,  
1927-28 to 1942-43

Year a/	Acreage	Production	Exports of: wheat and flour b/	Imports	Seed c/	Apparent consumption
	: : acres	: : bushels	: : bushels	: : bushels	: : bushels	: : bushels
	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000
1927-28	: 1,151	: 15,397	: 8,074	: d/	: 1,276	: 8,047
1928-29	: 1,085	: 12,304	: 4,277	: 1	: 1,330	: 6,698
1929-30	: 1,097	: 13,157	: 2,692	: 1	: 1,051	: 9,415
1930-31	: 959	: 7,369	: 46	: 660	: 1,358	: 6,625
1931-32	: 1,079	: 11,259	: 11	: 75	: 1,218	: 10,105
1932-33	: 947	: 5,407	: 215	: 2,021	: 1,508	: 5,705
1933-34	: 1,189	: 14,674	: 3,390	: 564	: 1,390	: 10,458
1934-35	: 1,099	: 10,672	: 1,430	: 60	: 1,607	: 7,695
1935-36	: 1,267	: 15,096	: 4,113	: 0	: 1,350	: 9,633
1936-37	: 936	: 9,246	: 1,492	: 970	: 1,840	: 6,884
1937-38	: 1,375	: 16,575	: 4,612	: 4	: 1,698	: 10,269
1938-39	: 1,256	: 15,461	: 5,966	: 11	: 1,572	: 7,934
1939-40	: 1,165	: 9,901	: 554	: 554	: 1,368	: 8,533
1940-41	: 925	: 7,060	: d/	: 3,487	: 1,612	: 8,935
1941-42	: 1,123	: 13,668	: e/	: e/	: e/	: e/
1942-43	: 1,000	: e/	: e/	: e/	: e/	: e/

Compiled from reports from the American consulate, Montevideo.

a/ Planted April-June and harvested December-January. b/ Flour in terms of wheat. c/ Seed for the following year's crop. d/ Less than 500 bushels. e/ Not available.

The good wheat harvest of 1941-42, now estimated at 13.7 million bushels, placed Uruguay on an export basis and it is estimated that from 1.5 million to 2.1 million bushels of that crop will be exported. An export subsidy is said to be necessary in order to compete with Argentine wheat offerings. The Government is said to prefer that exports be in the form of flour and to have authorized the export of about 355,000 bushels of wheat as flour to Brazil. The Uruguayan Commercial Treaty

with Brazil calls for this quantity of flour to be shipped by rail. As this would probably go only to the southern states, it is expected that further exports may be authorized soon.

The price of wheat was set by decree in December 1941, at 7.50 pesos per 100 kilograms (\$1.07 per bushel) in Montevideo. Prices at other points are based on Montevideo prices less cost of transportation. This is relatively high price for the growers and at times is indicated to be a somewhat artificial price.

Corn is second in importance only to wheat in Uruguay. Official estimates for the past crop, harvested in April and May, will not be released until December. The preliminary forecast places the 1942 crop at about the same as the 1941 outturn of 4.7 million bushels. Apparent consumption in 1941 was placed at 5.2 million bushels, and 1942 needs are estimated to be between 5.5 and 5.7 million bushels, including seed requirements. A continued expansion in corn consumption seems indicated in view of the increased feeding of hogs and poultry and the more general use of draft horses to replace mechanized equipment. Some imported corn is also being used in the manufacture of fuel alcohol and as fuel.

URUGUAY: Corn supply and apparent consumption,  
1926-27 to 1941-42

Year a/	Acreage	Production	Exports	Imports	Seed c/	Apparent
	1,000	1,000	1,000	1,000	1,000	1,000
	acres	bushels	bushels	bushels	bushels	bushels
1926-27 . . .	494	4,956	2	527	157	5,344
1927-28 . . .	571	8,253	2,364	273	97	6,665
1928-29 . . .	437	2,082	394	282	127	1,843
1929-30 . . .	531	7,168	601	225	109	6,623
1930-31 . . .	482	5,759	313	d/	121	5,325
1931-32 . . .	519	6,340	2	1	112	6,227
1932-33 . . .	507	4,185	d/	146	122	4,209
1933-34 . . .	568	5,183	d/	80	126	5,137
1934-35 . . .	600	6,367	d/	d/	114	6,253
1935-36 . . .	531	4,879	d/	1	111	4,769
1936-37 . . .	539	4,579	d/	50	109	4,520
1937-38 . . .	529	5,227	d/	13	115	5,125
1938-39 . . .	541	6,246	369	d/	107	5,770
1939-40 . . .	516	5,011	39	22	121	4,873
1940-41 . . .	573	4,670	0	666	124	5,212
1941-42 e/	566	4,821	f/	f/	f/	f/

Compiled from reports from the American consulate, Montevideo.

a/ Corn sown in October, November and harvested the following April-May.

b/ Calendar year. c/ Seed for following crop. d/ Less than 500 bushels.

e/ Forecast. f/ Not available.

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Assuming an average harvest in 1942, the prospective deficit is indicated to be from 1.4 to 1.6 million bushels. Authorization has been granted for imports of 20,000 metric tons (0.8 million bushels) of Argentine corn. These imports are to be exempt from customs duty and are indicated to have started in September. They are expected to be completed before the spring of 1943, when the next harvest occurs. The production of corn is ordinarily discouraged by the high prices of wheat and sunflower seed relative to corn. Corn prices are now, however, sufficiently high, it appears, to encourage some expansion in the 1942-43 crop now being planted. Dry weather, on the other hand, has recently retarded planting operations somewhat.

Production of oats in 1941-42 was placed at 2.5 million bushels and the crop to be harvested in December-January is indicated to be larger. Imports during 1938-1941, ranged from 0.5 to 1.4 million bushels. Oats for processing are all imported from Argentine since Argentine oats are of higher quality than the domestic crop. About 40 percent of the seed for the grain crop is also imported.

Barley production for grain has increased greatly during the past 10 years, but still averages less than 500,000 bushels. The apparent consumption figure runs close to production. Production of barley for brewing during the past five years averaged only 160,000 bushels.

#### CANADIAN THRESHING CONFIRMS HIGH YIELDS . . .

The cutting of grains in the Prairie Provinces was completed, except in a few scattered areas, at the end of October. Threshing, at the same time, was estimated to average about 85 percent completion in the three Provinces. Threshing has disclosed some unusually high yields, wheat in some exceptional cases running as high as 60 to 70 bushels per acre, and oats and barley also establishing new high yields.

Tough and damp grades are reported to exceed considerably the proportion found in the 1941 crop, but not to the extent indicated by earlier inspections. Much of the wheat is reported as grading No. 2 and No. 3 Northern, and barley and oats are largely 3 C.W. and No. 1 feed, respectively. The Board of Grain Commissioners announced that the protein content of almost 300 samples of wheat averaged 12.8 percent, which is 1.4 percent below the average of the past 10 years.

The wheat delivery quotas toward the last of the month ranged from 5 to 10 bushels, with about half the delivery points permitted to deliver 8 bushels per acre. Nearly all points are now reported to have a delivery quota of 10 bushels each, for oats and barley, but only 5 bushels of rye.

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V E G E T A B L E   O I L S   A N D   O I L S E E D S

ALGERIA MAKES VEGETABLE OILSEED  
GROWING COMPULSORY . . .

A decree published in the official "Gazette Algerienne" of August 11, 1942, and dated July 25, 1942, states that every farmer must collaborate in the production of oil-bearing seeds and register as a producer, either individually or through the agricultural group to which he belongs. Each producer may select the kind of seed which he desires to produce, namely castor, flaxseed, sunflower, soybeans, or cottonseed within the limits of the total area set for each kind and subject to certain conditions of soil and climate. The total acreages are provisionally set as follows for the 1943 plantings: flaxseed 14,826, castor beans 7,413, sunflower seeds 14,826, soybeans 2,470, and cottonseed 7,413.

Every quintal (220 pounds) of these seeds delivered by the producer entitles him to receive on request, supplies of one of the following: 5.28 gallons of gas oil or combustible vegetable oil, 7.9 gallons of industrial alcohol, 660 pounds of wood fuel, 330 pounds of coal, or 2.6 gallons of lubricating oil. Moreover, after November 1, 1942, no distribution of the supplies will be made to farmers except against a certificate delivered by one of the approved organizations.

Prior to the present war, Algeria exported substantial quantities of olive oil and imported a large volume of peanut oil and small amounts of other vegetable oils. During the past 2 years, Algeria has been able to import very little vegetable oil and oilseeds from other sources.

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CROATIA FEELS SHORTAGE OF FATS AND OILS . . .

In order to increase the production of cooking oils, officials are planning to increase the collection of squash seeds. Through official efforts, it is hoped that, it will be possible to obtain 10,000 tons of cooking oil. The price for squash seeds has been set at 10 kunas per kilogram, or about 9 cents pound, based on the pre-war exchange rate.

For its normal supply of pork fat, Croatia requires the slaughter of about 1.5 million hogs per year. At the present time, however, there are less than a million hogs available. Consequently, at least one-third of the demand for fats must be supplied from additional oil-bearing seeds. Croatia is already producing sunflowers, and soybeans for vegetable oil. Some authorities are of the opinion that increasing the acreage of oilseeds will decrease the cultivation of grains, and this may result in an insufficient production of breadgrains.

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C O T T O N - O T H E R F I B E R S

## RECORD COTTON CROP PICKED IN MEXICO . . .

A preliminary official estimate places the 1942 cotton crop in Mexico at 438,000 bales (of 478 pounds) from 886,000 acres compared with 371,000 bales from 782,000 acres in 1941. Trade estimates range as high as 450,000 bales. Cool, damp weather and a shortage of insecticides favored heavy insect ravages in the Juarez, Matamoros, Delicias, and Mexicali districts. Growing conditions in the Laguna district, however, were exceptionally favorable.

The carry-over on August 1, 1942, was estimated at about 65,000 bales. Mill consumption is expected to reach about 370,000 bales for 1942 compared with only 263,000 in 1941. On this basis, approximately 133,000 bales of the current supply will be available for export this year and carry-over at the end of the season. A sharp increase in mill activity reflects a shortage of imported goods as well as increased demand both in Mexico and other countries of the Caribbean area. Exports of cotton goods totaled 2,838 short tons during the first 6 months of 1942, as against 365 tons for all of 1941. Further expansion in mill output is not likely, however, because of the difficulty of obtaining new equipment from abroad.

Mexico's cotton exports, almost entirely to the United States, totaled only 25,000 bales in 1941-42, compared with 36,000 in 1940-41.

IRELAND GROWS FIBER FLAX  
FOR BRITISH WAR NEEDS . . .

The area planted to fiber flax in Ireland has been steadily increased from about 500 acres in 1932 to 10,000 in 1940, 15,571 in 1941, and 19,000 in 1942. Yield averages about 2 tons of straw (around 400 pounds of fiber) per acre. The 1941 crop was estimated at 3,000 short tons of fiber. All of the Ireland flax crop is grown in 8 northern counties of Donegal, Cavan, Monaghan, Louth, Meath, Carlow, Wicklow, Mayo, and Sligo, and in Cork on the southern coast. The outlook for the industry is bright, and acreage may be increased to 32,000 acres for 1943. Much more experience is necessary, however, before the best results in quality can be obtained.

The British Ministry of Supply has agreed to purchase the entire yield from as much as 25,000 acres for the duration of the war and one year thereafter. Prices will range from 21 shilling 6 pence to 26 shilling 6 pence per stone (31 to 38 cents per pound). Increasing quantities of fiber are also being used in Ireland for the manufacture of binder twine and paper.

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T O B A C C O

## ARGENTINE 1941-42 TOBACCO CROP LOWER . . .

Approximately 32.7 million pounds of tobacco were harvested in Argentina in 1942, from an area of 35,419 acres planted last fall, according to final statistics recently released by the National Tobacco Institute of the Argentina Ministry of Agriculture. These figures represent a decrease of 17.6 percent in production, and 18.5 percent in acreage harvested, as compared with 1940-41, and reflect the lowest production and number of acres harvested since the year 1937-38.

Native types continued to constitute the bulk of production. The combined production of foreign types amounted to about 14 percent of the total crop, as compared with an average of about 15 percent for the years 1938-39 to 1940-41, inclusive. The production of Virginia-seed flue-cured types, however, continued the upward trend of recent years, and totaled 1,692,000 pounds in 1941-42, as compared with 1,569,000 pounds in 1940-41.

ARGENTINA: Acreage and production of tobacco by types,  
1939-40 to 1941-42

Type	Acreage			Production		
	1939-40	1940-41	1941-42	1939-40	1940-41	1941-42
	Acres	Acres	Acres	1,000 pounds	1,000 pounds	1,000 pounds
Native .....	40,523	36,208	a/	33,789	34,575	28,118
Fire-cured .....	1,712	1,522	a/	1,162	668	864
Flue-cured .....	1,799	1,295	a/	1,224	1,569	1,692
Maryland .....	554	405	a/	359	268	322
Burley .....	180	314	a/	188	123	41
Other foreign b/	5,543	3,706	a/	4,051	2,528	1,695
Total .....	50,310	43,450	35,419	40,773	39,731	32,732

Official report of National Tobacco Institute of Argentina and Boletín Tabacalero, Ministerio de Agricultura de la Nación, Argentina.

a/ Not reported. b/ Largely Bahia, Habana, and Hungaro types.

## ECUADORAN 1943 TOBACCO REQUIREMENTS . . .

According to a statement issued by the Ecuadoran Tobacco Monopoly, Ecuador will not need to import any tobacco in 1943. The balance achieved between production and consumption of tobacco in Ecuador in recent years is therefore continued. Tobacco production in Ecuador centers principally in the Provinces of Guayas and El Oro, with Esmeraldas holding third place. Other Provinces producing tobacco are Pichincha, Loja, Manabi, and Imbabura.

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F R U I T S, V E G E T A B L E S, A N D N U T STURKISH FORECAST OF 1942-43 OLIVE OIL  
PRODUCTION BELOW LAST YEAR . . .

The preliminary forecast for 1942-43 Turkish edible olive oil production is 31,100 short tons, as compared with 38,500 short tons now estimated for the 1942-43 season, and 27,500 tons for the 1941-42 season. The forecast also indicates a probable production of 3,500 tons of sulphur oil, as compared with 4,400 tons in the 1941-42 season. The forecast is 3 percent below the 5-year average (1936-1940) of 32,200 short tons, but 4 percent above the 10-year average (1931-1940) of 29,800 tons. A comparison of the estimated production of olive oil in Turkey based on the two most recent 5-year averages, 1931-1935 of 27,300 tons, and 1936-1940 of 32,200, reveals what appears to be an upward trend in production. This is due to the three largest crops on record having occurred during the latter and one of the poorest during the first period.

TURKEY: Estimated production of edible olive oil,  
1931-32 to 1942-43

Year	Production	Year	Production
	Short tons		Short tons
1931-32 .....	12,700	1938-39 .....	30,000
1932-33 .....	40,200	1939-40 .....	45,000
1933-34 .....	25,000	1940-41 .....	27,500
1934-35 .....	33,200	1941-42 .....	a/ 38,500
1935-36 .....	25,600	1942-43 .....	b/ 31,100
1936-37 .....	16,500	Average - 1936-1940	32,200
1937-38 .....	42,000	1931-1940	29,800

Compiled from official sources.

a/ Revised.

b/ Preliminary forecast.

The growing season for the present crop of olives was considered satisfactory, however, early in the year considerable apprehension prevailed as to the effects of the severe winter of 1941-42. The trees appeared to have suffered but little damage as a result of the winter, and yields have been better than were anticipated earlier in the year. The supply of labor as the harvest commenced, appeared to be plentiful in most olive producing areas. The harvesting is done largely by women and children and the labor supply, therefore, was not appreciable affected by the heavy military conscription of men.

There is some question as to the carry-over of olive oil from the 1941-42 production, however, it is generally agreed, stocks total at least 8,800 short tons. The outlook for exports during the present marketing



year is doubtful. The domestic consumption, both by the military and civilian population, is considerably larger than normal and it is feared a shortage of oil may take place. It is understood that for the present no export licenses for edible olive oil are being granted by the Turkish Government.

IRANIAN 1942 ESTIMATE OF SHELLED  
ALMOND PRODUCTION HIGHER . . .

The 1942 preliminary estimate of almond production in Iran is 5,300 short tons shelled, and 1,300 short tons unshelled, as compared with 4,400 short tons shelled, and 1,100 tons unshelled, in 1941. The estimate of production, while larger than that of the previous year, is still below that of former seasons.

The disposal of the 1941 production appeared to have been completed in a fairly satisfactory manner, according to information received by the Office of Foreign Agricultural Relations. As the harvest of new crop nuts approached, estimate of shelled stock remaining, totaled only 300 short tons, all of which were expected to be disposed of before the end of September.

While export data for the complete 1941-42 marketing season are not available, it is known that practically all were to the United States, United Kingdom, British India, Russia, and Iraq. Exporters anticipate a weakening in prices this season and somewhat more difficulty in disposing of their almonds, due to the lack of shipping and other restrictive influences in the market.

IRAN: Annual exports of shelled almonds, 1935-36 to 1940-41 a/

Country	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41	Average 1936-1940
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
Belgium . . . . .	5	-	-	4	-	-	1
France . . . . .	10	-	2	26	-	-	5
Germany . . . . .	192	970	259	1,591	6	765	718
India . . . . .	1,764	528	235	1,485	1,416	2,347	1,202
Iraq . . . . .	51	71	-	84	143	112	82
Soviet Union . . . . .	548	2,321	1,862	-	-	810	999
Sweden . . . . .	460	249	-	27	-	36	62
United Kingdom . . . . .	2,880	722	404	2,078	326	14	709
United States . . . . .	4	-	-	-	11	621	126
Others . . . . .	405	4	2	50	-	295	71
Total . . . . .	6,319	4,865	2,764	5,345	1,902	5,000	3,975

Compiled from official sources. a/ Crop year, August 23 - August 22.

IRAN: Annual exports of unshelled almonds, 1934-35 to 1940-41

Year a/	India	Others	Total	Year a/	India	Others	Total
	Short tons	Short tons	Short tons		Short tons	Short tons	Short tons
1934-35 . .	3,489	91	3,580	1939-40 . .	870	2	872
1935-36 . .	2,430	36	2,466	1940-41 . .	1,465	2	1,467
1936-37 . .	760	-	760				
1937-38 . .	595	-	595	Average -			
1938-39 . .	960	25	985	1936-1940	930	6	936

Compiled from official sources. a/ Crop year, August 23 - August 22.

TURKISH 1942 FILBERT CROP  
LARGEST SINCE 1939 . . .

The 1942 preliminary estimate of the Turkish filbert crop is 77,000 short tons, unshelled basis, as compared with 33,000 tons estimated produced in 1941, and 27,500 tons in 1940. The estimate is 58 percent larger than the 5-year average (1936-1940) of 48,700 tons and 43 percent larger than the 10-year average (1931-1940) of 53,700 tons. It has been reported that this year's crop consists of about 69,300 tons of round varieties and 7,700 tons of long.

The growing season, to review briefly, has been generally satisfactory though some growers expressed a fear that the severe winter of 1941-42 might have caused some damage to the trees. There was also a short drought early in the summer and a rain at harvest time. The combined effort of these periods of inclement weather on the harvest seems to have been negligible from the size of the estimate. The quality of the nuts appear to be better than that of the previous year.

TURKEY: Estimated production of filberts, unshelled basis  
1931-1942

Year	Production	Year	Production
	Short tons		Short tons
1931 .....	57,000	1938 .....	28,600
1932 .....	56,000	1939 .....	82,500
1933 .....	54,000	1940 .....	27,500
1934 .....	35,500	1941 .....	a/ 33,000
1935 .....	71,000	1942 .....	b/ 77,000
1936 .....	68,000	Average - 1936-1940	48,700
1937 .....	77,000	1931-1940	53,700

Compiled from official sources  
a/ Revised. b/ Preliminary estimate.

The shortage of labor for harvesting is expected to be a serious problem in some sections and may result in a smaller production than is now anticipated. There are some members of the trade, however, that feel the final harvest may be somewhat larger than the estimate.

The situation with regards to the carry-over from the 1941 harvest is somewhat obscure. It is thought, however, that the carry-over did not exceed 800 short tons, unshelled, on October 1. There are a large number of new firms that entered the market since the outbreak of the war in 1939, who appear interested in speculative crops, a fact which makes it difficult to accurately appraise both the size of the new crop and carry-over.

The entry of these new firms also is reflected in the price of filberts on the Turkish market, with the result that prices fluctuated widely during the 1941-42 marketing season. The outlook for the 1942-43 marketing season is rather gloomy. There have been few inquiries received from foreign countries for new crop filberts though it is reported Germany has allocated 5,500,000 Turkish pounds (about \$4,180,000 United States) for the purchase of Turkish filberts under terms of the trade treaty between the two countries.

Exports during the 1941-42 season were to Germany, Sweden, Switzerland, Hungary, Belgium, Netherlands, Greece, and Palestine. No official statistics are available to indicate how many were sent to each of the countries named.

The importance of Turkey as a source of United States imports of shelled filberts may be seen from the table shown below.

UNITED STATES: Imports of shelled filberts,  
1930-31 to 1940-41

Year a/	Turkey	Italy	Spain	Others	Total
	Short tons	Short tons	Short tons	Short tons	Short tons
1930-31 .....	1,772	173	17	396	2,358
1931-32 .....	777	173	213	90	1,253
1932-33 .....	1,227	168	133	26	1,554
1933-34 .....	750	20	231	11	1,002
1934-35 .....	447	234	319	31	1,031
1935-36 .....	610	247	210	10	1,077
1936-37 .....	291	535	185	120	1,131
1937-38 .....	632	188	80	124	1,024
1938-39 .....	653	133	20	7	813
1939-40 .....	990	259	79	30	1,358
1940-41 .....	437	39	78	7	561

Bureau of Foreign and Domestic Commerce. a/ Crop year, September-August.

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Foreign Crops and Markets  
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L I V E S T O C K   A N D   A N I M A L   P R O D U C T S

BRAZILIAN MEAT SHORTAGE FOR  
LOCAL CONSUMPTION WIDESPREAD . . .

Recent reports from Brazil indicate that the temporary shortage of meat for local consumption, especially in urban centers, is widespread. High prices and keen export demand have resulted in increased exports of meat, and measures have been taken to limit exports temporarily. Ranchers may also be holding cattle for still higher prices. The meat situation at Para, in the Amazon Valley, shows no improvement, according to recent reports. Large cattle ranchers on Marajo Island, state that they can supply only a certain percentage of their cattle for local consumption in Para. As meat plays an important part in the Brazilian diet, the present shortage and high prices are live subjects of discussion.

The recent official announcement of a prohibition on exports of live cattle is said to be aimed at ranchers who have been shipping cattle to the Guianas rather than supplying the local Para market. An earlier decree, announced in August, prohibited establishments in the States of São Paulo and Rio de Janeiro slaughtering cattle for export and domestic consumption, from processing beef for export for a period of 60 days. Production during that period was to be reserved for domestic consumption. It is not known whether this prohibition has been extended for a longer period.

As the active slaughter of beef for export from São Paulo and Rio de Janeiro for the season was over by September, that decree did not affect meat already prepared for export. Beef exports from Brazil in 1942 will probably be somewhat larger than in 1941 according to present indications. Exports for the first quarter of 1942 were twice as large as for the same period of 1941. The greatest increase occurred in frozen beef which reached 20 million pounds for that period, a quantity four times as large as in the first quarter of 1941. Canned beef exports amounted to 25 million pounds and showed an increase of 41 percent. By the end of June 1942, however, canned beef exports, amounting to 60 million pounds, were smaller by 15 percent than in the same period of 1941. Figures on exports of frozen beef for the same period are not yet available, but they were evidently large resulting in the 60 day prohibition of slaughter for export.

In 1941 there was a decided shift in exports from frozen beef to canned beef. Although total beef exports amounted to 227 million pounds and were 27 percent smaller than the unusually large exports of 1940, the quantity of frozen beef shipped decreased 58 percent to 87 million pounds; whereas canned meat increased 36 percent to 139 million pounds. Pork exports also showed a decrease in 1941, as compared with 1940, from 17 to 13 million pounds.

The United Kingdom has always been an important market for Brazilian beef, but before the war Italy also took fair quantities of frozen beef, while the United States was taking increasing quantities of canned beef. Since the war began the United Kingdom has purchased larger quantities than usual, in 1940 taking a little over 70 percent of total frozen and canned beef exports, compared with 50 percent in 1939, and 41 percent in 1938. Exports of canned beef to the United States in 1941 were only 18 million pounds, compared with 48 million pounds in 1939.

BRAZIL: Exports of meat by principal countries of destination,  
1939-1941, January-March 1941 and 1942

Item and country	1939	1940	1941	January-March	
				1941	1942
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
<u>BEEF</u>					
Frozen and chilled -					
United Kingdom .....	63,596	140,450	-	-	-
France .....	14,825	54,220	-	-	-
Belgium - Luxembourg .....	5,319	7,122	-	-	-
Italy .....	8,448	4,074	-	-	-
Spain .....	278	-	-	-	-
Other a/ .....	3,525	1,261	-	-	-
Total .....	95,991	207,127	86,673	4,672	20,240
Canned beef -					
Not in brine:					
United States .....	48,227	18,424	-	-	-
United Kingdom .....	23,612	72,883	-	-	-
Canada .....	1,539	1,419	-	-	-
Other a/ .....	2,374	3,501	-	-	-
Total .....	75,752	102,227	138,633	17,637	24,877
In brine:					
Newfoundland .....	575	57	-	-	-
Trinidad .....	497	128	-	-	-
United States .....	202	8	-	-	-
United Kingdom .....	135	-	-	-	-
Others a/ .....	314	25	-	-	-
Total .....	1,723	218	761	b/	b/
Jerked -					
Trinidad .....	780	380	-	-	-
Porto Rico .....	764	5	-	-	-
Others a/ .....	172	95	-	-	-
Total .....	1,716	480	631	c/	c/
Total beef .....	175,182	310,052	226,698	-	-
<u>PORK</u>					
Frozen -					
United Kingdom .....	1,729	10,989	-	-	-
Others .....	325	428	-	-	-
Total .....	2,054	11,417	10,658	-	4,035

Continued -

BRAZIL: Exports of meat by principal countries of destination,  
1939-1941, January-March 1941 and 1942, -Continued

Item and country	1939	1940	1941	January-March	
				1941	1942
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
<u>PORK, continued</u>					
Canned -					
Not in brine:					
United Kingdom .....	930	843	-	-	-
Trinidad .....	540	197	-	-	-
Sweden .....	220	8	-	-	-
Others a/ .....	355	95	-	-	-
Total .....	2,045	1,143	995	c/	c/
In brine:					
Sweden .....	1,790	707	-	-	-
United Kingdom .....	1,449	557	-	-	-
Norway .....	430	3	-	-	-
Others a/ .....	493	230	-	-	-
Total .....	4,162	1,497	1	c/	c/
Hams .....	395	439	69	c/	c/
Bacon -					
Smoked .....	6	19	15	c/	c/
Back fat .....	4,618	2,472	1,018	c/	c/
Salted .....	626	351	47	c/	c/
Total .....	5,250	2,842	1,080	c/	c/
Total pork .....	13,906	17,338	12,803	-	-
Lard .....	12,327	10,219	760	d/	55 d/ 42
<u>MUTTON AND LAMB</u>					
Frozen mutton -					
United Kingdom .....	1,013	1,900	-	-	-
Others a/ .....	191	-	-	-	-
Total .....	1,204	1,900	-	-	-
<u>OTHER MEAT</u>					
Including sausages, edible offals, tongues, tripe, etc.	17,554	21,833	12,363	538	2,926

Compiled from official sources. a/ Principally to South America, West Indies, especially Trinidad. b/ Included with canned beef (not in brine). c/ Not reported, if any, included with "Other Meat". d/ May include beef fat also.

# VENEZUELA ENCOURAGES SHEEP RAISING . . .

Recently a number of sheep have been brought from Colombia to the Andean States of Venezuela, and the results have been so favorable that sheep raising will be intensified in other states of the country.



Venezuela has a relatively small number of sheep, the latest estimate (1937) showing only 62,000. It is estimated that the number in Colombia in recent years approximates about 1,000,000 head. Wool production in Venezuela is very small, being estimated at 143,000 pounds this year, but at that, is declared to be enough to satisfy domestic requirements.

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BRITISH LIVESTOCK ENTER NEW  
MARKETING YEAR IN GOOD CONDITION . . .

Cattle and sheep in England and Wales were reported to be in good condition at the opening of the new marketing year. Cattle, as a whole, were reported to be thriving and were being marketed in slightly better condition than a year ago. In northern and western England and Wales pastures were satisfactory in September and grass has been plentiful. In many localities in the other parts of the country pastures have been grazed bare, but were reported as improving in mid-October.

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URUGUAYAN WOOL SUPPLIES FOR  
1942-43 SEASON LARGER . . .

A preliminary estimate places wool production in Uruguay for the season beginning October 1, 1942, at 122 million pounds, or 3 percent below the average for the 5 preceding seasons, but slightly larger than in 1941-42. The new clip is stated to be of exceptionally good quality. Final figures for 1941-42 are not available but reports of exports, stocks, and domestic consumption indicate that production reached 120 million pounds and may have been somewhat larger.

As a result of the unusually heavy carry-over at the end of September this year, supplies for disposal in the new season beginning October 1, are estimated at approximately 168 million pounds, which is 19 percent above the average for the years 1937-38 to 1941-42, although not much above the quantity available in 1940-41, when a larger-than usual production was swollen by a heavy carry-over of wool which could not be delivered to continental European countries after the fall of France in the summer of 1940.

This year the heavy carry-over, all of which is wool finer than 44's, is apparently due to the fact that wool was held at prices higher than those offered by United States buyers. The quantity available for disposal for the season was considerably below average. The carry-over is estimated at 45 million pounds and is over three times as large as the average quantity on hand on September 30, for the 5 years, 1937-1941.

URUGUAY: Carry-over, production, and available supplies  
of wool, 1942-43 with comparisons

Season October 1 - September 30	Carry-over	Production	Total available supplies	Exports a/ Million pounds
	Million pounds	Million pounds	Million pounds	Million pounds
1937-38 .....	2.8	116.3	119.1	92.7
1938-39 .....	20.8	125.4	146.2	123.0
1939-40 .....	9.4	138.9	148.3	106.4
1940-41 .....	26.5	139.0	165.5	145.2
1941-42 .....	3.5	b/ 120.0	123.5	57.8
Average ..	14.8	136.9	151.7	106.0
1942-43 c/	44.6	123.0	167.6	-

Compiled from official sources.

a/ Grease, scoured, and pulled wool combined. Not converted to grease basis.

b/ Estimate based on reported exports, stocks, and domestic consumption - subject to revision. c/ Preliminary.

The current stock situation is creating a difficult problem for wool growers and exporters in Uruguay. The Uruguayan Government has recently sent an official representative to Washington to negotiate for the disposal of the present surplus. At the beginning of last season dealers in Uruguay were over-optimistic concerning the disposal of the clip, as a result of the satisfactory disposal of large supplies in 1940-41, 82 percent of which was sold to the United States. Early last season, wool dealers in Uruguay purchased or contracted for wool at prices materially above present United States market quotations. This was partly owing to the fact that the Swedish Government was making purchases at prices above American quotations, and the fact that domestic mills in Uruguay, which as a rule buy the best wools in the market at high prices, were purchasing heavily. Earlier offers on the part of the United States Government to purchase the surplus wool, over and above normal United States requirements, at prices slightly under United States market quotations, were refused by Uruguayan dealers, who hoped to get 12 pesos per 10 kilograms (45 cents per pound) for their wool. Most of the coarser wool, entitled to a reduction in duty in the United States <sup>1</sup>/<sub>2</sub>, as we produce very little of that kind, was sold and exported, but there have been few sales for export of finer wool. Meanwhile sales have been very small in the new season, no sales being made to the United States below prices agreed upon by brokers until negotiations in Washington are completed.

Exports of wool for the season just closed (September 30) amounted to only 58 million pounds, a reduction of 60 percent, compared with the large exports of 1940-41, and were considerably below normal. Exports to the United States in 1941-42, totaled 43 million pounds, against 120

<sup>1</sup>/<sub>2</sub> Duties reduced in Argentine Trade Agreement, effective November 15, 1941.



million pounds in 1940-41. In the 5 seasons before the war, the United States took, on the average, about 15 million pounds or about 13 percent of the total Uruguayan wool exports.

### NEW ZEALAND PRODUCES ANOTHER LARGE WOOL CLIP . . .

Wool production in New Zealand for the new season 1942-43 (July-June), is estimated at approximately 336 million pounds, grease basis, compared with 335 million pounds in 1941-42. Production averaged only 308 million pounds for the five seasons.

Exports in the 1941-42 season amounted to 734,000 bales, or roughly 250 million pounds. This was an increase of 17 percent above 1940-41, and approximately the same percentage decrease compared with exports in the five preceding seasons. Stocks accumulated at the end of the 1940-41 season. Owing to the improved export situation in the season just closed, stocks at the end of the season were not increased as much as expected earlier. Exports to the United States in 1941-42 amounted to 25 million pounds of grease, scoured, and pulled wool combined. This was a considerable larger quantity than average shipments to this country from New Zealand. Last year only a small quantity was released to the United States, all in the last quarter (April-June 1941).

### NEW ZEALAND: Wool movement, July-June 1936-37 to 1942-43

Year	Exports		Quantity used by New Zealand mills	Variation in stock	Estimated production
	Wool	Wool on skins			
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1936-37 .....	300.0	7.0	7.7	-11.8	302.9
1937-38 .....	269.5	6.2	7.2	+13.9	296.8
1938-39 .....	319.1	8.0	7.3	-6.7	327.7
1939-40 .....	284.7	8.2	10.4	+6.7	310.0
1940-41 .....	a/ 212.9	a/ 3.1	b/	b/	331.5
1941-42 .....	c/ 250.0	b/	b/	b/	a/ 335.0
1942-43 .....	-	-	-	-	c/ 336.0

Compiled from official sources.

a/ Subject to revision

b/ Not available.

c/ Preliminary estimate.

\* \* \* \* \*



GENERAL AND MISCELLANEOUS

## FOREIGN EXCHANGE . . .

FOREIGN RATES: Average value in New York of specified currencies,  
October 31, 1942, with comparisons a/

Country	Monetary unit	Year 1941	Month				Week ended		
			1940	1941	1942		1942		
			Oct.	Oct.	Sept.	Oct.	Oct. 17	Oct. 24	Oct. 31
			Cents:	Cents:	Cents:	Cents:	Cents:	Cents:	Cents:
Argentina <u>b/</u>	Paper peso	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77
Australis <u>c/</u>	Pound	321.27	321.29	321.37	321.50	321.50	321.50	321.50	321.50
Brazil <u>d/</u>	Milreis	5.07	5.02	5.08	5.14	5.15	5.15	5.15	5.15
British India	Rupee	30.14	30.17	30.15	30.12	30.12	30.12	30.12	30.12
Canada <u>c/</u>	Dollar	87.32	86.32	88.78	87.82	87.63	87.57	87.96	87.16
Mexico <u>e/</u>	Peso	20.54	20.33	20.57	20.57	20.57	20.57	20.57	20.57
New Zealand	Pound	322.54	322.55	322.63	322.78	322.78	322.78	322.78	322.78
South Africa	Pound	398.00	398.00	398.00	398.00	398.00	398.00	398.00	398.00
United Kingdom <u>c/</u>	Pound	403.18	403.26	403.29	403.50	403.50	403.50	403.50	403.50

Federal Reserve Board.

a/ Noon buying rates for cable transfers.

b/ Official, regular exports. The special export rate of 23.70 cents, reported beginning March 27, 1941, applies to exchange derived from certain minor exports (e.g. dairy products) to certain countries (e.g. United States), such exchange formerly having been sold in the free market. Quotations nominal.

c/ Free. Official rates; Australia 322.80 cents; Canada 90.91 cents; United Kingdom 403.50 cents. Most transactions between these countries and the United States must take place at the official buying and selling rates.

d/ Free. Since April 10, 1939, 30 percent of the exchange derived from exports must be turned over at the official buying rate of 6.06 cents, the weighted average value of the milreis being 5.37 cents in 1941, 5.42 cents in October 1942, and 5.42 cents in the week ended October 31, 1942. Quotations nominal.

e/ Quotations nominal for 1940 and 1941.

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